Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	

REPLY COMMENTS OF BLANCHARD TELEPHONE COMPANY

Blanchard Telephone Company ("Blanchard") of Michigan hereby submits these reply comments regarding the Federal Communications Commission's ("FCC" or "Commission") August 11, 2017 Public Notice which published the preliminary determination of rate-of-return study areas 100 percent overlapped by unsubsidized competitors ("Public Notice"). In this Public Notice, the FCC notified certain rate-of-return carriers that they will be subject to a phase down of high cost Universal Service Fund ("USF") support if the preliminary determination of 100 percent overlap is ultimately affirmed, in accordance with the 100 Percent Overlap Rule adopted in 2014. The FCC encourages both the competitors and the rate-of-return carriers to confirm or refute the preliminary determinations.

Blanchard respectfully brings to the Commission's attention that the unsubsidized competitors listed in the Public Notice and preliminarily determined to collectively cover 100 percent of Blanchard's developed census blocks, CMSInter.net and Crystal Automation Systems,

¹ See Wireline Competition Bureau Publishes and Requests Comment on Rate-of-Return Study Areas Potentially 100 Percent Overlapped by Unsubsidized Competitors, WC Docket No. 10-90, Public Notice (rel. Aug. 11, 2017) ("Public Notice").

² See Connect America Fund et al., WC Docket Nos. 10-90 et al., Report and Order et al., 29 FCC Rcd 7051 (2014); 47 C.F.R. § 54.319.

Inc.,³ did not make any filing. Accordingly, no declaration and supporting information affirming that they provide service to "all the locations within the blocks reported on Form 477 and which overlap the study area" was filed.⁴ Furthermore, Blanchard has collected evidence that CMSInter.net specifically does not provide service meeting the Commission's technical and quality standards to all of the census blocks with housing units in its study area. Blanchard requests that the FCC consider CMSInter.net's lack of filing, and the Company's evidence described herein and declare that Blanchard is not subject to the 100 Percent Overlap Rule.

In the Public Notice, the FCC states that rate-of-return carriers are "free to submit Evidence, either in the initial comment or reply comment period, that an unsubsidized competitor does not offer service to all locations in the census blocks specified in the provided spreadsheet and/or that the competitor is not offering service to all locations within those blocks." The FCC explains that relevant evidence would include searching competitors' online service availability tools and receiving a "no service available" result for a specific address. Blanchard investigated CMSInter.net's website and did not find a service availability tool or any description of the competitor's service area. Additionally, Blanchard employees contacted CMSInter.net to inquire about obtaining service at various rural addresses throughout the study area, and CMSInter.net was unable to provide service at these addresses or did not respond to service availability inquiries. Blanchard provides the attached affidavit which explains the process Blanchard

³ In addition to CMSInter.net and Crystal Automation Systems, Inc., the Public Notice also listed several incumbent local exchange carriers as "unsubsidized competitors." Neighboring incumbent local exchange carriers who receive high-cost universal service fund support are not eligible to be considered as "unsubsidized competitors," and furthermore Blanchard believes that some of these incumbent providers are neighboring carriers that occupy "split" census blocks.

⁴ See Public Notice at ¶ 7.

⁵ See Public Notice at ¶ 11.

employees utilized to discover that CMSInter.net does not provide broadband service at 10/1 Mbps to 100 percent of locations in overlapped and developed census blocks.

Blanchard respectfully requests that the Commission find the evidence submitted herein to be sufficient to effectively remove the Company from potentially being impacted by the 100 Percent Overlap Rule. High-cost universal service support is critical for Blanchard's mission of providing quality and affordable voice and broadband service in its rural Michigan study area. A finding that the 100 Percent Overlap Rule applies to Blanchard when, in fact, no such overlap exists, would be devastating to Blanchard and its customers. The Commission's preliminary determination about Blanchard was not supported by evidence, and the Company's service area is not 100 percent overlapped by an unsubsidized competitor.

DANIELLE S. MORELAND
OTARY PUBLIC - STATE OF MICHIGAN
COUNTY OF MONTCALM
My Commission Expires January 25, 2024

Apting in the County of Sabella

Respectfully submitted,

/s/ Betsy Ashbaugh

Betsy Ashbaugh General Manager

Blanchard Telephone Company

Filed October 10, 2017



425 Main Street, P.O. Box 67 Blanchard, MI 49310-0067

AFFIDAVIT OF BETSY ASHBAUGH

I, Betsy Ashbaugh, am the General Manager of Blanchard Telephone Company ("Blanchard"). I am personally familiar with the locations and types of telephone and Internet plant and services present in Blanchard's rate-of-return study area (SAC 310678), as well as the geographic scope of the study area itself.

The Federal Communications Commission's ("FCC") August 11, 2017 Public Notice of preliminary determination of rate-of-return areas that are 100 percent overlapped by unsubsidized competitors identifies Blanchard as being 100 percent overlapped by CMSInter.net, Crystal Automation Systems, Inc., and two incumbent local exchange carriers who do not qualify as competitors. I hereby refute the FCC's determination that CMSInter.net and Crystal Automation Systems, Inc. overlap Blanchard's study area and therefore Blanchard should not be subjected to the 100 Percent Overlap Rule.

To determine that CMSInter.net and Crystal Automation Systems, Inc. do not provide voice and broadband service to all locations in the overlapped census blocks with housing units, I engaged in the following activities:

- 1. August 24, 2017 contacted CMS via email concerning address 117 Millbrook Rd, Blanchard, MI Received email reply on August 24, 2017 11:22 PM from support@cmsinter.net per email "We (CMS) can't currently service this area.
- September 8, 2017 contacted CMS via email at 10:41AM concerning addresses 135 Millbrook Rd, Blanchard, MI and 371 Jefferson Rd, Blanchard, MI - CMS never responded to this email
- 3. October 9, 2017 called CMS at 9:10AM concerning address 1172 Millbrook Rd, Blanchard, MI per CMS service representative (Brandon) too many trees can't provide service to this address
- October 9, 2017 called CMS at 9:18 AM concerning address 4200 6 Mile Rd, Remus, MI - per CMS service representative (Brandon) too many trees can't provide service to this address
- 5. October 9, 2017 called CMS at 9:23AM concerning address 1200 Harrison Rd, Blanchard, MI per CMS service representative (Brandon) too many trees can't provide service to this address

Betsy Ashbaugh

General Manager

Blanchard Telephone Company

Betsy Ashbaugh personally appeared before me and affirmed that the above-stated facts	
were true and correct based upon his own personal knowledge.	

County /Sabella State Michigan
Subscribed and sworn before me on: October 10,2017
Subscribed and sworn before me on: <u>OCTO DER 10,2017</u> Notary Public: Anuly Moreland - Danielles Moreland
My commission expires: January 25, 2024